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SOUTHERN DISTRICT	OF NEW YORK	
DAOL REXMARK UNIO LLC., ET AL.,	N STATION,	
Pl	aintiffs,	
V.		22 CV 06649
UNION STATION SOL	E MEMBER,	
De	fendant.	
	x	Conference
		New York, N.Y. August 21, 202 4:00 p.m.
Before:		1.00 p.m.
Delore.	HOM CDECODY	и моорс
	HON. GREGORY	
		District Judge
	APPEARAI	NCES
MORRISON, COHEN,		
	r Plaintitts	
Attorneys fo BY: RICHARD HONG		
Attorneys fo BY: RICHARD HONG MAHNOOR MISB	AH	
Attorneys fo BY: RICHARD HONG MAHNOOR MISB KASOWITZ, BENSON, Attorneys fo	AH TORRES, LLP	
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Attorneys fo BY: RICHARD HONG MAHNOOR MISB KASOWITZ, BENSON, Attorneys fo BY: DAVID ROSS	AH TORRES, LLP	
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(Case called; appearances noted)

THE COURT: Very good. Thank you.

So let me begin with just a few comments about the rules I'd like the parties to follow during this conference.

The first thing that I'd like to do is just to remind you that this is a public proceeding, and that as a result, any member of the public or press is welcome on the call.

Second, please keep your lines on mute at all times, except when you're intentionally speaking to me or to the representative of another party. Next, please keep your lines on mute at all times, unless you're speaking to me -- I'm sorry, and you should state your name each time you speak.

Please abide by instructions from our court reporter that are designed to help the court reporter do her job.

Finally, I'm ordering that there be no recording or rebroadcast of all or any portion of the conference today.

So with that out of the way, let's turn to the substance of today's proceeding. Counsel, I scheduled the conference to discuss the discovery dispute that's laid out in the letter submitted to me on the 11th. Let me hear from each of you.

I'll start with counsel for defendant. I've read the letter, but I'll hear first from you if I can.

MR. ROSS: Thank you, your Honor. David Ross from Kasowitz, Benson, Torres.

Your Honor, we seek to depose Mr. Eum, because he is a percipient witness who has personal knowledge about the matters that are the subject of discovery in this case, both with respect to plaintiffs' claims and with respect to defendant's counterclaims. Mr. Eum is an agent of one or more of the plaintiff entities who brought suit in this case. He is apparently a resident in Korea. He was copied or is the author or recipient of 25 percent or one-quarter of the emails and documents that were produced by the plaintiffs in this case.

We did not know of the significance of his role until we read their documents. It appears from the documents that he is not only a primary representative of a party in this case, but he also had participated directly in meetings with our client regarding Union Station, participated personally in communications with Amtrak in this case regarding Union Station, participated directly in communications with S.L. Green, a special servicer entity, with respect to the mortgage involved in the Union Station in this case, participated directly in communicating strategy with Mr. Rebibo and others on their side of the ledger, made decisions with respect to the course of the foreclosure and other proceedings in this case, engaged directly in setting strategy based upon emails and documents that we have of text messages that we have.

So, no. 1, he seems to be in all respects a classic percipient knowledgeable witness. That's no. 1.

No. 2, we have advised the other side, plaintiffs' counsel, that we're prepared to examine him remotely, so he does not have to travel from Korea tomorrow to here, although he is welcome to do so if he is going to be here or wants to be here. But, in any event, so as to avoid any claim of burden, we have said that we would take his deposition remotely.

No. 3, there's a claim that the so-called Apex issues are raised by our attempting — our seeking to depose this man and, respectfully, we don't think that's correct at all. As we understand the Apex cases, they typically address a situation where a senior executive is sought to be deposed where they did not personally participate in the underlying facts of the matter, but because of their position, a party, nevertheless, seeks to take them.

In this particular case, as I've illustrated earlier,
Mr. Eum, who is directly involved in a large number of emails
and other communications, so the Apex rules we don't -- or Apex
case law we don't think apply at all. Typically speaking, a
party that is seeking to resist a deposition has a very high
burden of demonstrating why it's inappropriate to depose a
witness, and that, for example, in the Speadmark v. Federated
Department Stores case at 176 F.R.D. 116, 118, a Southern
District of New York case from 1997, stands for the proposition
one should not bar a party -- well, that barring a party from
taking a deposition, "is an extraordinary form of relief," and

is only imposed if the moving party carries their heavy burden of demonstrating, "that the proposed deponent has nothing to contribute."

In this particular case, this man clearly participated, and has plenty to contribute, assuming his memory is working. So we think we have a right to take his deposition.

The other idea I think that's put forth rather weakly in my humble opinion by the plaintiff is the idea that because they have told us that we should depose Mr. Rebibo, a representative of Rexmark, that everything and anything that Mr. Eum would testify to is duplicative, unnecessary, and that we're not entitled to it. And the claim is that while he was copied on the same emails as Mr. Rebibo, and he attended some of the meetings, or his information is derivative of what Mr. Rebibo knows, from my experience, Judge, it's important to depose people who have personal knowledge who may have attended the same meeting, or had conversations with the other decision makers on a matter.

This is a case where we are taking from the plaintiffs' side only one other deposition, Mr. Rebibo, in his personal capacity and as a 30(b)(6) witness. So here we're seeking to take another person, who was a decision maker and personally participated directly in meetings with my client, the defendant, with Amtrak, and has direct communications that

even Mr. Rebibo was not part of with, for example, SL Green. So the idea that we would be precluded from deposing a second person in a case involving \$700 million or \$500 million, is a very large number, Judge. A lot of money is at stake. And we've not burdened anybody in any respect with discovery in a case of this size.

So for all those reasons, Judge, I think that the application put forth before you to seek to block the deposition is not well taken, and should be denied, your Honor. Thank you.

THE COURT: Thank you.

Counsel for plaintiffs.

MR. HONG: Thank you, your Honor.

Thank you for giving us an opportunity to take Mr. Eum's deposition. Mr. Eum, as your Honor is aware, is a high level manager of Daol AMC, Asset Management Company, based in Seoul, South Korea. He is not a key witness in this case. He has no key knowledge of the facts and circumstances at issue in this case. That is the reason why none of the parties identified Mr. Eum as an individual who would likely have discoverable information in any of the Rule 26 initial disclosures.

The fact that document productions show that he is copied or sent letters or emails on things does not make him suddenly a key witness in this matter. Your Honor, this is a

fishing expedition from the plaintiffs' perspective. Mr. Eum, and we've spoken to him about this, does not have any unique personal knowledge of the relevant events of it. And there's a reason why Mr. Eum does not. Because all of the conduct and events alleged in the complaint occurred in the United States. And if you were to look at the complaint, you will not find anything related to Mr. Eum.

By contrast, Mr. Michael Rebibo, the U.S. agent, who was Mr. Eum's counterpart in the United States, is the focus of the affirmative action -- affirmative defenses. Virtually everything relating to how Rex -- things went wrong is related to what Mr. Rebibo allegedly did or did not do. There's nothing like that with Mr. Eum. Mr. Eum sat in Korea. He took phone calls from Mr. Rebibo. He read emails that were sent to him, that Mr. Rebibo was also copied on, and they discussed issues, as Mr. Eum was the Korean agent. But the fact that there was some discussions with Mr. Rebibo does not make him a key witness in this case by any means.

Mr. Rebibo was the U.S. agent. He made the decisions in the United States. The case is about what happened in the United States, not what happened in Seoul, South Korea. I am not aware, we are not aware of a single document that just went to Mr. Eum alone without being copied to Mr. Rebibo. We are not aware of anything that Mr. Eum said relating to the U.S. conduct that would be relevant to that.

I want to also make sure that I address that there is going — that the purpose for this deposition seems to be one of if you want to boil it down, to test Mr. Eum's knowledge of events. While his knowledge is derivative, his knowledge is fear based. He relied on Mr. Rebibo for what is going on, and the discussion that Mr. Rebibo and Mr. Eum had was one where Mr. Rebibo was accounting or reporting what had happened, and making a recommendation of how they should proceed. And Mr. Eum agreeing to do so. That's the extent of the decisions that Mr. Rebibo was making. He was completely relying on Mr. Rebibo for — Mr. Eum was completely relying on Mr. Rebibo to do what Mr. Rebibo, the U.S. partner, was going to do.

And if one was to take Mr. Rebibo's deposition, that's the testimony you would get. No more than that. The idea that there would be anything relevant in this — and the only other comment that counsel makes is this is a big case, and only one witness is being called on. There are reasons for that. The first reason is Mr. Rebibo was in charge. He was a central, key witness. He's giving two depositions in one. He's giving a 30(b)(6) deposition, which is binding on the plaintiff, and he's a representative of that, because he knows all the relevant information.

He's also provided a personal capacity deposition at the same time. So there are actually, technically speaking, two depositions that the defendant is taking. And the reason

why he is the one who's giving it is because, as I mentioned, he is the person who is most knowledgeable with that information. The fact that this case is several hundred million dollars, was 700 -- doesn't sort of span the discovery rules to test the knowledge of a witness, and, essentially, undergo a fishing expedition of some sort on this.

Your Honor, we recognize that precluding a deposition is not an usual -- is an unusual event, but the circumstances in this case, your Honor, clearly call for precluding this deposition, because this deposition is going to be based on essentially Mr. Eum said, I had a conversation with Mr. Rebibo, and I said, okay, or he suggested this and I said yes, to the extent that Mr. Eum remembers the relevant events that are -- when he's questioned on this.

So when you look at the balance of hardship versus benefit, which is what this Court would have to look at, the hardship is much greater for requiring someone who lives in South Korea to participate, to prepare for a deposition that he has really, quite frankly, marginal tangential knowledge. And, you know, while I can't speak to your Honor right now on this, but if we were to have a trial tomorrow, he's likely not going to be a witness for the plaintiff. So that's at least my personal view of it. So, what -- you know, it is to us a complete waste of time to engage in this deposition.

I wanted to address one other -- a couple of other

points that counsel mentioned. The key issue that is remaining in this case is the propriety of the foreclosure sale. That occurred in the United States. Mr. Eum had nothing to do with that.

The other issues that are remaining are affirmative defenses relating to whether or not Mr. Rebibo somehow interfered with the management of the Union Station, and all things related to whether or not we, the plaintiff, somehow acted in -- had committed some sort of inequitable misconduct. That's all relating to Mr. Rebibo's management. That had nothing to do with Mr. Eum.

I want to strongly object to the defendant's position that Mr. Eum has percipient knowledge of it. His percipient knowledge is a derivative knowledge on this, and, quite frankly, he is going to have — and if this deposition were to go on for however long, the likely answer to many questions are that he doesn't recall, and that he relied on Mr. Rebibo. He has really no unique, personal knowledge of the events in question, your Honor. So for all those reasons, while we understand that this is a high burden on this — in this case, the defendant will get all the information they need for courts — for any kind of court proceeding or motion practice through Mr. Rebibo.

Mr. Eum is not a key witness. He does not have any unique personal knowledge that's not cumulative of Mr. Rebibo.

For all those reasons, we believe that this deposition should not go forward.

THE COURT: Thank you.

Counsel, the defendant's lawyers offered to conduct the deposition by video conference. How does that affect you regarding the burden associated with the deposition?

MR. HONG: So it does lessen the burden obviously a little, the travel part of it, but we still have to prepare, Mr. Eum still has to engage in participation of events and so forth on that. I think that is going to lessen the burden a little bit, but not substantially.

Your Honor, I think and I understand maybe some desire to allow some testimony to occur on this, but I think this is a case where really Mr. Eum is on the sidelines so to speak. And he's not a particular witness and -- you know, I think this is one of those cases, whether it's done by Zoom or in person, it continues to be a substantial burden.

THE COURT: Thank you.

Counsel, in their description of the facts of the case, counsel for defendants described Mr. Eum as having been in meetings, communicated with Amtrak, having been a direct participant in conferences with SL Green. Do you take issue with those aspects of the defendant's description of Mr. Eum's participation in the events at issue here, separate and apart from email correspondence and his communications with

Mr. Rebibo?

MR. HONG: So, your Honor, Mr. Eum did participate in some meetings, but so did about ten other people, and so did Mr. Rebibo. The fact that he was one of the participants — he's a Korean agent. He's a Korean representative. So to some extent, he wanted to see what the Union Station asset was going to be about. But the fact that he was merely present for the event, for a meeting, doesn't mean that a person has any knowledge or any deep knowledge or any unique knowledge of these events.

He was there. At the end of the day, whether he attended a meeting or not, he went back to talk to Mr. Rebibo, and Mr. Rebibo provided his advice and counsel. And that's how decisions were made.

THE COURT: Thank you.

Counsel for defendants, any rebuttal?

MR. ROSS: Yes, your Honor. David Ross. Briefly.

Number one, there is no requirement, in order to depose a witness, that they have unique knowledge. Unique was the word that Mr. Hong used. I disagree with him. I don't think that is part of any standard.

Second, he said that the witness had to be key in order for them to be deposed. I also don't think there is any requirement that they be a key witness.

Third, he suggested that Mr. Eum doesn't have any

relevant knowledge, because Mr. Rebibo knows the same information. I don't think that that goes to relevance at all. He's merely saying he thinks it is similar knowledge, but clearly there is no objection to our deposing Mr. Rebibo about these very same topics.

So, obviously, the information is relevant. It is discoverable. It is entirely normal to depose multiple witnesses who attended important meetings or who participated in setting strategy. Looking at a document produced by the other side, Bates stamped KTBOOO4685, and it is an e-mail, it is a text message string between Mr. Rebibo and Mr. Eum in which they are going back and forth discussing the strategy regarding the foreclosure.

Obviously Mr. Eum participated in setting the strategy from Korea. The argument that has been made, that he was a senior witness, and that he doesn't know anything, it seems to me that since it's he who was directing the investment from Korea, and he who was giving advice and strategy discussions with Mr. Rebibo about what should be done, that — the fact that Mr. Rebibo may have carried out what he was directed to do does not make the person who is the decision maker or the director any less important as a witness.

So it seems to me -- I mean, to use perhaps a simple analogy, am I only entitled to take the puppet but not the puppeteer? I think I'm entitled to take both, particularly

where it is not overly burdensome, and where all the evidence indicates the participation of both.

So for those reasons, your Honor, again, I submit that this is just an ordinary, run of the course deposition in a case involving a large amount of money, and a relatively controlled burden, which a plaintiff would have to put up with if they want to seek rights with respect to hundreds of millions of dollars.

Thank you.

MR. HONG: Your Honor, may I be heard briefly?

THE COURT: Yes. Counsel, please go ahead.

MR. HONG: So the text that Mr. Ross is talking about is a conversation between Mr. Rebibo and Mr. Eum talking about various events, and if you had the text in front of you, you will see that after we discuss -- Mr. Rebibo makes the recommendation, and Mr. Eum goes along with that, okay? And that is how the relationship was. Mr. Rebibo would talk to his Korean counterpart to do this, to do that.

Now, I think the reason why I spent a fair amount of talking about the key -- whether the importance, the significance, the meaningfulness of this deposition is because the defendant has made Mr. Eum into a paramount -- a critical witness, issue dispositive witness, and we're saying, no, he's not -- he doesn't have such information. They would be deeply disappointed with the testimony there. And if the purpose is

to get a thousand I don't recalls, I don't knows, and Mr. Eum says, I relied on Mr. Rebibo, so be it. That's the exercise they want to go through. And if that is an exercise they want to go through, I would — and if this Court were inclined to provide some deposition — this deposition, which we think is unnecessary, we would ask that this deposition be, no. 1, set after Mr. Rebibo's 30(b)(6) and personal deposition — personal or capacity deposition to determine whether or not it is necessary at all. And September 21 is the date that we have been discussing for Mr. Rebibo's deposition.

No. 2, set a strict time limit of one hour only to test the knowledge, because we believe that within an hour, counsel will recognize that, in fact, Mr. Eum does not have any unique, personal, non-cumulative knowledge.

And, no. 3, obviously we discussed then the setting of the Zoom only, not requiring that.

And, no. 4, we respectfully ask that the defendant provide to us five business days before the deposition the topics to be addressed, so we can try to prepare Mr. Eum for this deposition, although, quite frankly, we're not sure whether or not we can do so given what we understand the scope of the responsibility and the involvement of Mr. Eum is regarding the relevant events that occurred in the United States.

So those are the requests that we would make, if the

Court were inclined to provide any type of deposition for Mr. Eum.

THE COURT: Good. Thank you very much, counsel.

Thank you both for your arguments. They're strong, and compelling.

Let me just say a few brief words. First off, the information sought from Mr. Eum I understand to indisputably be relevant here, the testimony that's been described as seeking information that's relevant under the broad scope permitted under the Federal Rules, as counsel have noted.

The deposition of Mr. Rebibo is being taken without objection as to overlapping subject matter. So, again, I don't understand the relevance of the testimony sought to be contested. So the testimony is relevant.

There are limitations on the scope of discovery that can be taken under the rules. Even with respect to relevant information, the Court is required to take into account the proportionality of the discovery, taking into account the importance of the issues at stake, the amount in controversy, and the parties' relevant access to the information, the parties' resources, the importance of the discovery resolving the issues, and whether the burden or the expense of the proposed discovery outweighs the likely benefit of that discovery.

Similarly, as the parties know, a party may seek a

protective order with respect to the discovery of information under Rule 26(c), and the Court can, for good cause shown, issue an order to protect a person or party from annoyance, embarrassment, depression, or undue burden or expense by, among other things, forbidding discovery.

I should also note that under certain circumstances, the Court must limit the frequency or extent of discovery if it determines that the discovery sought is unreasonably cumulative, or duplicative, or can be obtained from some other source that's more convenient, less burdensome, or less expensive. That requirement is embedded in Federal Rule of Civil Procedure 26(d)(2)(C).

So having considered all of those factors, I'm not going to prohibit the deposition of Mr. Eum. To the extent the application here is for the issuance of a protective order to deny the opportunity to depose him, I do not find that plaintiffs have made a sufficient showing of good cause in order to justify the issuance of such an order.

I'll describe just briefly some of the considerations that go into my determination regarding this issue. I think that, largely, the defendant's lawyer has properly framed the issue here, not to the expense of counsel for plaintiffs' arguments, which, again, have been compelling.

I note, at the outset, that there are a number of factors that the Court should consider here. I appreciate that

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Mr. Eum is a relatively highly placed executive. However, highly placed executives are not immune from discovery. However, depositions of high level corporate executives may be duplicative in the -- or burdensome where the person sought to be deposed has no personal knowledge of the event in dispute. And courts recognize that where the deposition of a high ranking corporate executive is sought, it might be served or used as an instrument for harassment. As a result, courts have considered, as counsel for the plaintiffs identified, issues such as the likelihood that the individual possesses relevant information, or whether another source could provide identical information. Other courts have considered whether the witness has some unique knowledge that's relevant to the action. I expect that that's the source of the argument, that Mr. Eum does not have unique knowledge. The case law supports that as a factor for the Court to consider in evaluating whether a deposition of a high level executive should take place.

It's clearly established that the mere fact that an executive has a busy schedule or claims no unique knowledge of relevant facts, however, is not sufficient to foreclose otherwise proper discovery. See, for example, Hallmark Licensing, LLC v. Dickens Inc., 2018 Westlaw 6573435, at *4. Ithink that this case fits into that category.

Here, counsel for defendants have proffered that Mr. Eum does have knowledge of the -- personal knowledge of the

relevant facts. They proffered that he was copied on, or the offer of one quarter of the documents provided by the plaintiffs — that he was involved in meetings with the client, that he had communicated with Amtrak, that he was a direct participant in conference with SL Green, that he was in direct discussions with Mr. Rebibo and others regarding the foreclosure, and that he was involved in setting the strategy.

In sum, defendants assert that Mr. Eum was a percipient witness, and that he provided advice regarding the conduct of others involved in the case. As a result, I understand that he does have knowledge of the facts at issue in the case as a percipient witness, and I believe that the defendants are entitled to probe that knowledge.

I agree that a witness need not be a key witness in order to be deposed, and here the plaintiff has not made a sufficient showing that the deposition would be unduly cumulative. I do not believe that it will be unduly burdensome either. Here the defendants have offered to conduct the deposition by remote means. Counsel for plaintiffs correctly concedes that that does ameliorate the burden associated with a New York based deposition.

So, in sum, I think that the proffer by defendants provides me with sufficient information to conclude that Mr. Eum has some personal, percipient knowledge of the facts involved in this case. The fact that there may be overlapping

testimony by Mr. Rebibo does not mean that he need not testify here. I understand that there are only two depositions being taken. I do not believe that, in the context of this case, that two depositions or three, counting one 30(b)(6) and/or one personal for Mr. Rebibo are disproportional to the needs of this large case, given the nature of the issues involved in the case.

So I'm not going to preclude the defendants from taking the deposition, understanding that the defendants and the plaintiffs will agree that the deposition should be taken by remote means. Now, I do want to say just briefly that it may be that the deposition will play out as counsel for plaintiff has suggested. Namely, it may be that Mr. Eum will not have direct, personal recall of all of the incidents about which he may be questioned, and that's fine. I don't discredit counsel's proffer, but I do believe that defendants are entitled to probe that.

With respect to the four requests made by counsel, in the event that I were not to grant or sustain the objection, and to grant a protective order, the third -- I understand the parties will agree that the deposition will be conducted by Zoom. I'll leave it to the parties to choose when best to schedule this deposition. I'm not going to take a position on that issue now. I can see real benefits potentially in deferring the deposition of Mr. Eum until after Mr. Rebibo's

for the reasons that counsel has described, but I do not direct that the parties schedule the depositions in any particular order. The rules state that there is no preferred order. I leave it to the parties to discuss that issue. I'm confident that counsel for defendants will take their own counsel if they believe that the deposition is not yielding useful information, and that they will use their client's time and their money well.

So I'm not going to set a specific limit on the duration of the deposition beyond that that's established in the rules by default. I'm not going to direct that the defendants provide a list of topics for discussion. This is an individual deposition, as I understand it, not a 30(b)(6) deposition.

Now, while I'm not going to direct that they do that, I would strongly encourage the parties to talk about what the anticipated scope of the deposition will be, if you would. It could be that that kind of conversation would allow Mr. Eum's memory to be better refreshed, and, therefore, have a more productive deposition. But, then again, I'm not going to direct the parties to come to any resolution with respect to that. I'll just encourage you to discuss the topics, so that you can make the best use of your respective time.

I think that's all that I have. Counsel, is there anything else that we need to take up here, starting with

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counsel for plaintiff?
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               Counsel?
               MR. HONG: No, your Honor. As I said, I think that --
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      no, your Honor.
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               THE COURT: Thank you.
               Counsel for defendant?
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               MR. ROSS: No, your Honor.
               THE COURT: Very well. This proceeding is adjourned.
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               (Adjourned)
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